

AGREEMENT

THIS AGREEMENT dated this ___ day of September 20, effective October 1, 20__ through September 30, 20__ and will continue to be an automatic renewable annual contract between LEON COUNTY DEPARTMENT OF HOUSING SERVICES, a political subdivision of the State of Florida, hereinafter referred to as the "County" and the TALLAHASSEE LENDERS' CONSORTIUM, INC., hereinafter referred to as the "Consortium" unless properly terminated as stipulated in this document.

WHEREAS, the County has determined that there is a need for more affordable housing in Leon County; and

WHEREAS, the County has determined that it is in the best interest of the citizens of Leon County, Florida, for the County to encourage the development of more affordable housing in Leon County; and

WHEREAS, the County and the Consortium have cooperated to facilitate the purchase of affordable housing in the unincorporated area of Leon County through a Down Payment Assistance Program for first-time home buyers; and

WHEREAS, it has been determined that it is in the best interest of all parties involved in the Down Payment Assistance Program for the process to be streamlined to facilitate home purchase closings for eligible clients; and

WHEREAS, the County and the Consortium wish to continue an agreement through which funds are provided to timely finance the house closings for qualified first time home buyers; The county and the consortium agree pursuant to the definition in the 1990 National Affordable Housing Act; 42USC 12704 that a first-time homebuyer is an individual who:

1. Has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This also includes a spouse. Or,
2. Is a displaced homemaker that has only owned with a spouse;
3. Is a single parent that has only owned with a former spouse while married;
4. Has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations;
5. Has only owned a property that was not in compliance with state, local, or model building codes and cannot be brought into compliance for less than the cost of constructing a permanent structure.

NOW, THEREFORE, the parties hereto agree as follows:

1. The Consortium agrees to provide one-stop service for affordable housing clients who qualify for Leon County Down Payment Assistance for first-time home buyers in the unincorporated area of Leon County, the services shall include:

- A. Serving as liaison, educational source, and contact point for area lenders, realtors, title agents, affordable housing clients and the county housing program; and
- B. Promoting county housing programs at regular home buyer classes and at presentations to professional, business and community groups; and
- C. Providing home buyer education classes and post-home ownership classes for interested housing clients at no cost to the client; and
- D. Providing credit counseling to any interested clients at no charge to the client; and
- E. Processing of down payment assistance clients from application through completion of the process, verifying that the client, proposed house and property all fall within county and state (SHIP) guidelines for Down Payment Assistance programs, and as specified in Attachment 1; and
- F. Providing all documentation of the processing of Down Payment Assistance transactions under county, state and federal guidelines to ensure that the county meets all audit requirements, the consortium also agrees to provide additional documentation as requested and required by the county housing staff to ensure proper disclosure and adherence to all federal, state and local guidelines consistent with Attachment 1; and
- G. Properly receiving, managing and reporting on county funds in accordance with Attachment 1.
- H. Provide information about state and/or federal guidelines and requirements relating to the Down Payment Assistance program for first-time home buyers, updating such information when changes are received; and
- I. Timely documents reflecting advanced Down Payment Assistance funds provided to the county
- J. Comply with the Rules of the State of Florida Auditor General Chapter 10.550, Section 10.554 (a), (h), (4) and provide all copies of audit reports and findings to the Leon County Department of Housing Services

2. Leon County hereby agrees to:

- A. Refer potential affordable housing Down Payment Assistance clients and interested Realtors to the Consortium; and
- B. Promote Tallahassee Lenders Consortium affordable housing programs to professional, business and community organizations; and
- C. Provide information about county, state or federal guidelines and requirements relating to the Down Payment Assistance program for first-

time home buyers, updating such information when changes are received;
and

- D. Advance an initial allotment of Down Payment Assistance funds at the beginning of each Fiscal Year and renewal agreement, in the amount of \$25,000 to the Consortium to expedite eligible Down Payment Assistance closing transactions, out of an allocation of \$100,000, which can be extended up to an additional \$50,000 per fiscal year at the discretion of the Leon County Department of Housing Services, to assist additional Down Payment Assistance clients in accordance with attachment 1; and
 - E. Timely process requests for replacement of Down Payment Assistance funds when properly requested, contingent upon the availability of funds lawfully expendable for the purposes of this agreement, and the proper documentation provided for client file as stated in attachment 1 (A)
3. The Consortium and the County agree that the above services shall be provided at a cost not to exceed \$35,000 to the County (See Attachment #1, Part C, *Program Delivery Services*) unless the Consortium receives a document processing fee, as agreed to by the County, for services rendered on behalf of eligible affordable housing clients who purchase houses with the assistance of county Down Payment Assistance funds. which can be extended up to an additional \$35,000 per fiscal year at the discretion of the Leon County Department of Housing Services, for additional or extended services provided by the Consortium. This fee shall be payable to the Consortium upon closing of the home purchase and proper submittal of all documentation.

The Consortium agrees to conduct like services for other contractual agreements between additional sponsors and the county at the county's request for the same fee structure as listed in attachment 1, part C.

- 4. The Consortium shall have an annual audit, which covers transactions and services associated with the Down Payment Assistance Program, pursuant to U.S. Office of Management and Budget Circular A-133, Audit of States, Local Governments and Non-Profit Organizations and 24CFR part 44.
- 5. The Consortium shall fully comply with the Rules of the State of Florida Auditor General Chapter 10.550, Section 10.554 (a), (h), (4) and provide all copies of internal and external audit reports as well as findings (if applicable) to the Leon County Department of Housing Services
- 6. The Consortium at all times, relevant to this Agreement, shall be an independent contractor and in no event shall the Consortium nor any employees or subcontractors under it, be considered to be employees of Leon County, further the Consortium nor any of its employees can sign Leon County documents as employees of Leon County or as authorized signature agents for Leon County.
- 7. This Contract shall not be assigned or sublet as a whole or in part without the written consent of the County nor shall the Consortium assign any monies due or

which become due to it hereunder without the previous written consent of the County.

8. The Consortium agrees to indemnify and hold harmless the County from all claims, damages, liabilities, or suits of any nature whatsoever arising out of, because of, or due to the breach of this agreement by the Consortium, its delegates, agents or employees, or due to any act or occurrence or omission or commission of the Consortium, including but not limited to costs and a reasonable attorney's fee. The County may, at its sole option, defend itself or allow the Consortium to provide the defense.

The Consortium acknowledges that ten dollars (\$10.00) of the amount paid to the Consortium is sufficient consideration for the Consortium's indemnification of the County.

9. Either party may terminate this Contract by giving the other party thirty (30) days written notice of termination, as this contract is a recurring renewable annual contract unless either party terminates this agreement utilizing the specified terms. The County shall not be required to give Consortium such thirty (30) day written notice if, in the opinion of the County, the Consortium is unable to perform its obligations hereunder, or if in the County's opinion, the services being provided are not satisfactory. In such case, the County may immediately terminate the Contract by mailing a written notice of termination to the Consortium.
10. In any case where, in fulfilling the requirements of this contract or of any guarantee, embraced in or required thereby it is necessary for the Consortium to deviate from the requirements of this contract, the Consortium shall obtain the prior written consent of the County.
11. In accordance with Section 287.133, Florida Statutes, the Consortium hereby certifies that to the best of its knowledge and belief neither the Consortium nor its affiliates have been convicted of a public entity crime. Consortium and affiliates shall provide the County with a completed public entity crime statement form no later than January 15 of each year this agreement is in effect. Violation of this section by the Consortium shall be grounds for cancellation of this agreement by Leon County.
12. The performance of Leon County of any of its obligations under this agreement shall be subject to and contingent upon the availability of funds budgeted by the County or otherwise lawfully expendable for the purposes of this agreement for the current and future periods.
13. The validity, construction, and effect of this agreement shall be governed by the laws of the State of Florida.

WHERETO, the parties have set their hands and seals, effective the date whereon the last party executes this Agreement.

Tallahassee Lenders Consortium, Inc.:

WITNESS:

De'Lean Johnson, Housing Coordinator
Leon County Department of Housing Services

BY: _____
Libby Lane, Executive Director
Tallahassee Lenders' Consortium

Date: _____

Date: _____

(CORPORATE SEAL)

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by Libby Lane, Executive Director, of the Tallahassee Lenders Consortium, Inc., a not-for-profit corporation, on behalf of the corporation. He or She is personally known to me or who has produced a driver's license _____ as identification.

Notary Public _____

Printed Name _____

LEON COUNTY, FLORIDA

By: _____
Cliff Thael, Chairman
Board of County Commissioners

Date: _____

ATTEST:
Bob Inzer, Clerk of the Court
Leon County, Florida

By: _____

Date _____

APPROVED AS TO FORM:

Leon County Attorney's Office

By: _____
Herbert W.A. Thiele, Esq.

Attachment 1

Terms and Conditions

A. Down Payment Assistance Scope of Work

The Consortium may use up to \$100,000 of SHIP funds each County fiscal year to provide second mortgage loans to first-time homebuyers (individuals or families) for the following:

Down Payment Assistance with Construction	\$15,000.00 (VLI) \$10,000.00 (LI) \$7,500.00 (MOD)	50% or below of Area Median Income 80% or below of Area Median Income 120% or below of Area Median Income
Down Payment Assistance without Construction	\$7,500.00	50% or below of Area Median Income 80% or below of Area Median Income 120% or below of Area Median Income
Down Payment Assistance with Self Help	\$25,000.00 (VLI) \$15,000.00 (VLI)	50% or below of Area Median Income for persons with disabilities or elderly 50% or below of Area Median Income

A supplementary \$50,000 can be utilized to assist additional clients at the discretion of the Department of Housing Services. All incomes levels indicated above are adjusted for family size, for partial coverage of down payment and closing costs (up to one-half of the required down payment, one-half of prepaid/escrow, and all buyers closing costs, not to exceed the amount listed per category and eligible client as shown above). This funding amount may be decreased or increased by fiscal year carry forward or other County approved funding sources as specified in writing by the Coordinator of the Department of Housing Services.

First time home buyers are those persons who have not owned an interest in a dwelling in the past three years, those who currently reside in substandard housing or a mobile home, displaced homemakers, and/or the heads of single parent households. Further, such persons must have the ability to obtain a first mortgage loan from a TLC member lender, and shall purchase their home in the unincorporated Leon County. Assistance shall be made available to qualified applicants on a first-come, first-served basis. An applicant shall be considered in line for services from the time the Consortium receives written notification from the lender that the client's first mortgage loan application has been approved.

At no time shall a client receive more than one (1) down payment assistance (DPA) allocation through the Consortium, from County SHIP funds. It is the responsibility of the Consortium to ensure that each client only receives one (1) allocation and acquires an affidavit stating that each client has not received additional SHIP funds from the County for down payment assistance (DPA) or any other strategy as specified in the Leon County Local Housing Assistance Plan (LHAP), during the application process and prior to awarding the client with DPA funds as no one is authorized to receive duplicate funding from any strategy unless previously authorized by the Leon County Department of Housing Services.

In no case shall the home purchase price exceed \$166,000.00 for an existing, previously

occupied home, or for an existing, new home, pursuant to SHIP guidelines and subject to the adjustment of those guidelines. The amount of down payment assistance will be shown on the loan closing statement and shall not exceed the amount of assistance as listed above. The Consortium is to ensure that the client is responsible for a minimum of \$500 up to 1% of the sales price and prepaid closing costs.

The self-help housing program category is limited to assistance for the purchase of newly constructed homes by persons in the categories as specified above. Unless these amounts are modified in writing by the Coordinator of the Department of Housing Services and approved by the Board of County Commissioners; the check shall be made payable to the closing agent and the client. In no case shall the down payment assistance check be made payable directly to the client or any individual person.

It shall be the responsibility of the Tallahassee Lenders Consortium to provide the following documentation, packaged separately for each individual application, for each down payment assistance loan within 30 days of the date of loan closing and all counseling services. Failure to make timely submission of documentation of each down payment assistance loan and counseling package may result in suspension of all payments under this contract until each outstanding loan is properly documented. The required documentation includes the following:

1. SHIP Down Payment Assistance (DPA) checklist is required for each individual client file (Received and updated by the Leon County Department of Housing Services as required to meet the Leon County Department of Housing Services as well as Local, State and Federal policies and procedures)
2. Affidavit stating that previous Down Payment Assistance (DPA) or other strategies delineated in the Leon County, Local Housing Assistance Plan (LHAP) has not been received by the client, as this is not authorized unless previous approval has been obtained from the County.
3. Down Payment Assistance (DPA) Disbursement Form
4. Home Repair Memo and Invoices (For DPA with Construction or New Construction)
5. Certificate of Occupancy (For DPA with Construction or New Construction)
6. Client Identification Verification
7. General Authorization for the Release of Information
8. Employment Information (Release Form and Verification Documents)
9. Certificate of Zero Income (Release Form and Verification Documents)
10. Unemployment Information (Release Form and Verification Documents)
11. Social Security Benefits Information (Release Form and Verification Documents)
12. Cash Contributions Information (Release Form and Verification Documents)
13. Child Support and/or Alimony Information (Release Form and Verification Documents)
14. Child Support Verification/Affidavit (Release Form and Verification Documents)

15. Verification of Student Status (Release Form and Verification Documents)
16. Affidavit of Estrangement (Release Form and Verification Documents)
17. Asset Income (Release Form and Verification Documents)
18. Asset Addendum to Application (Release Form and Verification Documents)
19. Analysis of Income Eligibility Form
20. Florida Housing Finance Corp Resident Income Certification Form
21. Florida Housing Finance Corp Resident Income Limits Schedule
22. Loan Application (For all loans and or grants, Signed and dated by Lender, indicating true monthly payment amount)
23. Underwriter Approval (For all loans and or grants, Signed and dated by Lender, indicating true monthly payment amount)
24. Loan Approval and Contingency Sheet (For all loans and or grants, Signed and dated by Lender, indicating true monthly payment amount)
25. Good Faith Estimate (For all loans and or grants, Signed and dated by Lender, indicating true monthly payment amount)
26. Certified copy of the signed Sales Contract (For all loans and or grants, Signed and dated by Lender, indicating true monthly payment amount, documentation of repairs required prior to sale and the amount of funds spent on said repairs)
27. Copy of Appraisal of the purchased property
28. Home Inspection Report
29. Copy of check disbursed for County Down Payment Assistance
30. Original executed Promissory Note
31. Copy of All Mortgages to include the Leon County DPA Mortgage (Unrecorded)
32. Copy of All Mortgages to include the Leon County DPA Mortgage (Recorded reflecting OR Book and Page Number)
33. Original Buyer/Seller Affidavit
34. Certified copy of HUD-1 settlement statement
35. Copy of hazard insurance policy and or binder. The hazard insurance policy must name Leon County as an additional insured second mortgagee
36. Title insurance policy and or binder.
37. Award letter signed by the County Housing representative given to recipient upon qualification

38. TLC Questionnaire

39. TLC DPA correspondence

40. Any additional documents that the County deems pertinent to ensure accurate accountability of funds

All forms and content must be approved by the County prior to use by the Consortium. Each loan documentation package shall be clearly marked as to individual home buyer's name, address, amount of assistance, and source of funding for assistance on a cover form to be agreed to by the County which shall accompany any material provided as documentation to the County.

All loans shall be closed in favor of Leon County using a promissory note, and second mortgage and affidavit, approved by the County and prepared by the Consortium. All disclosures, as required by law, must be given on the second mortgage. The loan closing on the second

mortgage must occur simultaneously with the closing of the first mortgage loan. The second mortgage shall be recorded immediately following recordation of the first mortgage.

The mortgage title insurance commitment must include the second mortgage as a valid lien against the property subordinate only to the first mortgage. The recorded original second mortgage and all documents indicated the monthly mortgage amount, shall be delivered to Leon County Division of Health and Human Services, Department of Housing Services, Attention Housing Coordinator: 918 Railroad Avenue, Tallahassee, Florida, within 60 days of closing.

The County shall have the right to inspect and copy all the Consortium's records related in any way to the loans closed using funds provided by the County at any time, subject to providing the Consortium with a three-day written notice. The County further has the right to conduct announced and unannounced onsite audits at anytime to ensure that the Consortium is complying to all rules and regulations. Timely fulfillment of each requirement in the "Statement of Work" will be a condition precedent for any continuing obligation by the County to provide further funding under this contract.

Income limits for very low, low and moderate income families disseminated by the SHIP Program and issued by the Florida Housing Finance Corporations' SHIP Program Administrator, as revised from time to time, are hereby incorporated by reference. Copies of subsequent income limits will be made available to the Consortium as they are received by the County.

B. Down Payment Assistance Method of Compensation

Leon County will provide up to \$100,000 of SHIP funds, which can be extended up to an additional \$50,000 per Fiscal year at the discretion of the Leon County Department of Housing Services, to assist additional Down Payment Assistance clients in accordance with attachment 1, each County fiscal year to the Consortium to provide second mortgage loans to first-time home buyers in the manner defined in section A. This funding amount may be increased by carry forward or other County approved funding sources as specified in writing by the Coordinator of the Department of Housing Services.

At the request of the Consortium, subject to the limitations set forth in this agreement, funds shall be advanced to the Consortium in an initial allocation of \$ 25,000, followed by a reimbursement of funds per loans properly closed, documented and submitted to the County on a draw down basis. It is in the discretion of the Leon County Department of Housing Services to advance additional funds in \$5,000 increments not to exceed \$25,000 at one disbursement, to the Consortium if deemed necessary to assist possible Down Payment Assistance clients. These

funds are to be placed in an account dedicated to the payment of down payment and closing costs, and disbursed from that account as needed for individual mortgage closings. Funds for down payment assistance without construction, funds for down payment assistance with construction or new construction and funds for down payment assistance with self help, shall be recorded and tracked separately. Any interest, unexpended funds or other program income generated by the allocated resources shall be used for down payment assistance or returned to the County at the end of the period of the agreement, which is each Fiscal year unless extended by the Leon County Department of Housing Services.

Down payment assistance disbursed from this account shall be fully documented according to the requirements in section A of Attachment 1 before this contract is closed out. The Consortium must create and maintain a financial and administrative tracking mechanism of all clients ensuring that any one Down Payment Assistance client does not receive more than one Down Payment Assistance subsidy/allocation from the County SHIP allocation. The Consortium must ensure that it's records matches the County's records by submitting a monthly report on the 25th of each month. If a discrepancy occurs, the County's records take precedence over all records presented and the Consortium must ensure that it's records are corrected to reflect the County's records. The County shall have the right to review each request for an advance of funds and determine the amount to be advanced, based on the rate of down payment assistance disbursement, the cash flow needs of the Consortium, and any special considerations warranted.

Funds disbursed may be replenished to the Consortium upon request by the Consortium only when documentation of prior expenditure for down payment assistance as described more fully in section A of Attachment 1 of this agreement, up to the extent of funding approved by the County and at the discretion of the Leon County Department of Housing Services.

Reports, including documentation of down payment assistance shall be submitted by the Consortium by the 25th day of each month. Monthly reports shall include but not be limited to the following:

1. Client name and income status (Ex. VLI)
2. Client address
3. Date of closing
4. Type and amount of down payment assistance funds expended per client (Ex. DPA with Repair or Construction - \$15,000.00)
5. Total down payment assistance expended per month by amount and client count
6. County fiscal year (of the closing date which may not match the County SHIP funding allocation year)
7. Balance of funds remaining

Down Payment Assistance, Housing Counseling and Home Acquisition Reports must include but are not limited to items 1-7 above. Separate reports must be generated per Down Payment Assistance category. Housing with construction shall mean that the home seller provided at least \$500.00 in documented pre-sale repairs to the home. Monthly reports shall be submitted to:

Division of Health and Human Services
Department of Housing Services
Attention: Leon County Housing Coordinator
918 Railroad Avenue
Tallahassee, Florida 32310

All funds expended under this contract shall be disbursed by September 30th, which is the end of the current fiscal year. Any unused funds, not earmarked for house closing(s), on hand at this date will be subject to recapture or reuse by Leon County and must be returned to the Leon

County Department of Housing Services, not carried forward into an existing Consortium account or commingled with existing Consortium funds.

C. Program Delivery of Services

It is expressly understood by and between Leon County and Consortium that the County shall make payments directly to the Consortium. The County agrees, subject to the limitations set forth in the Statement of Work, that it shall pay to the Consortium Thirty-five Thousand Dollars in State Housing Initiative Partnership (SHIP) funds for expenses invoiced and described below, and in no event shall it pay more than \$35,000 for program delivery services in this contract unless the county has entered into an agreement with an additional sponsor and the consortium will conduct like services at the county's request at which time the county will pay the agreed upon fee as specified in this agreement for each additional service rendered, or if the County deems it necessary for the Consortium to provide additional services up to an additional \$35,000. Documentation for services rendered for this cause, will be submitted to the county as stated above to ensure payment in a timely manner utilizing the same fee structure as listed in Attachment 1, C.

Payment for services rendered and expenses incurred shall be made subject to receipt of a request for pay from the Consortium by the County. Such request shall be supported by documentation, satisfactory to the County, evidencing that SHIP eligible expenses has been incurred. Payment will be on a reimbursement basis unless specifically agreed upon and included as part of this agreement. Continued reimbursement shall be conditioned upon timely fulfillment of the program goal, if the Consortium provides duplicate DPA funding for a client utilizing County funds, the expenditure will not be reimbursed as this transaction is not authorized. If all terms and conditions are adhered to, the Consortium will be reimbursed for all tasks necessary to carry out the down payment assistance program according to the following schedule:

Task Description	Cost per Unit	Goal for Units Completed	Maximum Amount Available
Intake Screening & Pre-Qualification	\$65.00	150	\$9,750.00
Credit Counseling & Curing (unlimited visits and follow-up for six	\$100.00	148	\$14,800.00
Homebuyer Education Classes - 2 hour Orientation classes for	\$75.00	48	\$3,600.00
Homebuyer Education Classes 6 hour certification classes for those pre-qualified for a	\$115	40	\$4,600.00
Leadership of post-purchase home owner	\$50	6	\$300.00
Mortgage delinquency counseling	\$90	5	\$450.00
Showcase of Affordable Homes	\$750.00	2	\$1,500.00
Total	_____	_____	\$35,000.00